HOUSE RESEARCH ORGANIZATION • TEXAS HOUSE OF REPRESENTATIVES
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HOUSE RESEARCH ORGANIZATION

daily floor report

Tuesday, April 23, 2019
86th Legislature, Number 50
The House convenes at 10 a.m.
Part One

One bill is on the Emergency Calendar, one bill is on the Major State Calendar, three joint resolutions are on the Constitutional Amendments Calendar, and 67 bills are on the General State Calendar for second reading consideration today. The bills and joint resolutions analyzed or digested in Part One of today's *Daily Floor Report* are listed on the following page.

Dwayne Bohac
Chairman
86(R) - 50

HOUSE RESEARCH ORGANIZATION

Daily Floor Report
Tuesday, April 23, 2019
86th Legislature, Number 50
Part 1

SUBJECT: Creating the disaster recovery loan program; making an appropriation

COMMITTEE: Appropriations — favorable, without amendment

VOTE: 23 ayes — Zerwas, Longoria, C. Bell, G. Bonnen, Buckley, Capriglione, Cortez, S. Davis, M. González, Hefner, Howard, Jarvis Johnson, Miller, Muñoz, Schaefer, Sherman, Smith, Stucky, Toth, J. Turner, VanDeaver, Walle, Wilson

0 nays

4 absent — Minjarez, Rose, Sheffield, Wu

WITNESSES: For — Jimmy Kendrick, Town of Fulton Texas; (*Registered, but did not testify*: Ryan Brannan, Galveston Park Board of Trustees; Ender Reed, Harris County Commissioners Court; Rick Thompson, Texas Association of Counties; Windy Johnson, Texas Conference of Urban Counties)

Against — (*Registered, but did not testify*: Jim Baxa)

On — Nim Kidd, Texas Division of Emergency Management, Texas Emergency Management Council

DIGEST: HB 2300 would create the disaster recovery loan account as an account in the general revenue fund, administered by the Texas Division of Emergency Management (TDEM). Money in the account could be used only to provide short-term loans to eligible political subdivisions for disaster recovery projects.

Eligibility. The bill would allow a county, city, or school district located wholly or partly in an area declared to be a disaster area by the governor or the president of the United States to apply to TDEM for a loan if:

- the political subdivision had submitted its operating budget from the most recent fiscal year to TDEM within 15 days of adopting it;
- the political subdivision submitted an application for a loan from the Federal Emergency Management Agency's (FEMA)

community disaster loan program;

- an assessment of damages due to the disaster was conducted in the political subdivision; and
- TDEM, in consultation with FEMA, determined that the estimated cost to rebuild the political subdivision's infrastructure damaged in the disaster was greater than 50 percent of its total revenue for the current year.

Application. TDEM would have to develop and implement an application process for loans from the account. At minimum, applications would have to include:

- a description of the disaster recovery project for which the applicant was requesting the loan;
- an estimate of the total cost of the project;
- a statement of the amount or estimated amount of federal money the applicant would receive for the project; and
- evidence that the applicant had adequate staff, policies, and procedures in place to complete the project.

Loan requirements. A loan from the account would have to be made at or below market interest rates for a term of up to 10 years. Loan proceeds would have to be expended solely for disaster recovery projects.

If the term of a loan exceeded two years, the state auditor would be required to conduct a limited audit of the political subdivision on the second anniversary of the date on which the subdivision received the loan to determine whether it had the ability to repay the loan. TDEM could forgive a loan if the state auditor determined that the political subdivision was unable to repay it.

Account funds. The account would consist of money appropriated, credited, or transferred to it by the Legislature; money received by the comptroller for loan repayment; gifts or grants; and interest earned on deposits and investments. The comptroller would have to credit all loan principal and interest payments to the account.

Rulemaking. TDEM would have to adopt rules to implement and administer the account, including the development of a form on which a political subdivision could electronically submit its budget to TDEM.

Appropriation. HB 2300 would appropriate $60 million from the general revenue fund to the disaster recovery loan account for fiscal 2020-21.

The bill would take effect September 1, 2019.

SUPPORTERS SAY:

HB 2300 would establish the disaster recovery loan program, administered by the Texas Division of Emergency Management (TDEM), to provide immediate relief to local governments with major infrastructure damage after a disaster. The program especially would help small communities, such as those that struggled with funding in the aftermath of Hurricane Harvey. Small local governments may not have a large enough budget to meet even a 10 percent matching requirement for federal recovery funds, which can prevent them from receiving the aid they need to rebuild. The bill would create a necessary program to help those governments access short-term loans to rebuild infrastructure after a disaster.

The bill would make counties, cities, or school districts that sustained infrastructure damage greater than 50 percent of their total revenue eligible for the loan program. This would ensure that local governments with small budgets or those hit the hardest in a disaster could receive assistance. Any loan that exceeded two years would be assessed by the state auditor to determine whether the community could repay the loan and, if not, TDEM could forgive it, further benefiting small local governments.

HB 2300 would not impose a burden on taxpayers but would appropriate funds at the discretion of the Legislature. Concerns that the Federal Emergency Management Agency (FEMA) would be involved in local spending decisions are unfounded. The loan program would be available only to political subdivisions in areas that were declared a disaster, so FEMA already would be involved in the process. Federal representatives survey damages at the request of the governor as the first step in the declaration process, and the resulting assessment is used to determine if

damages are beyond state and local capabilities and clarify the need for federal assistance.

Currently, there is no state option for this kind of disaster relief funding, so HB 2300 would give Texas a new tool to help communities statewide recover from a disaster. Texas experiences more disasters than any other state, but not all communities in the state meet the qualifications for federal assistance. The Legislature should learn from Hurricane Harvey and provide more funding options to assist smaller cities, counties, and school districts repair vital community services and infrastructure more quickly in the aftermath of a disaster.

OPPONENTS SAY:

HB 2300 improperly would use taxpayer money from across the entire state for a program that only affected local governments. The bill also would involve FEMA in the loan eligibility process, which is problematic because the federal government should not be involved in local spending decisions.

NOTES:

According to the Legislative Budget Board, the bill would cost the general revenue fund $60 million in fiscal 2020-21.

SUBJECT: Transferring and managing funds in the ESF and Texas Legacy Fund

COMMITTEE: Appropriations — committee substitute recommended

VOTE: 21 ayes — Zerwas, Longoria, C. Bell, G. Bonnen, Capriglione, Cortez, S. Davis, M. González, Hefner, Howard, Jarvis Johnson, Miller, Muñoz, Schaefer, Sherman, Smith, Stucky, Toth, VanDeaver, Walle, Wilson

1 nay — J. Turner

5 absent — Buckley, Minjarez, Rose, Sheffield, Wu

WITNESSES: For — Dale Craymer, Texas Taxpayers and Research Association; Stephen Bailey, The Pew Charitable Trusts; (*Registered, but did not testify*: Joe Hamill, AFSCME Texas Corrections, American Federation of State, County and Municipal Employees; Leticia Van de Putte, San Antonio Chamber of Commerce; Rene Lara, Texas AFL-CIO; Dwight Harris, Texas American Federation of Teachers; Lance Lowry, Texas Association of Taxpayers; Windy Johnson, Texas Conference of Urban Counties; Cheri Siegelin, Texas Correctional Employees-Huntsville; Timothy Lee, Texas Retired Teachers Association; Calvin Tillman; Al Zito)

Against — Vance Ginn, Texas Public Policy Foundation

On — Phillip Ashley, Comptroller of Public Accounts; (*Registered, but did not testify*: Paul Ballard, Comptroller of Public Accounts, Texas Treasury Safekeeping Trust Company; James Bass, Texas Department of Transportation)

BACKGROUND: Revenue for the Economic Stabilization Fund (ESF), also known as the rainy day fund, comes almost entirely from oil and natural gas production taxes, also known as severance taxes. Before fiscal 2015, the ESF received 75 percent of any severance tax revenue that exceeded the amount collected in fiscal 1987. A constitutional amendment adopted in 2014 requires the comptroller to send one-half of this amount to the State Highway Fund, with the rest continuing to go to the ESF.

The comptroller reduces or withholds allocations to the State Highway Fund as needed to maintain a sufficient balance in the ESF. As required by Government Code sec. 316.092, the select legislative committee to determine a sufficient balance of the ESF determined $7.5 billion to be a sufficient minimum balance for fiscal 2020-21. The section also establishes procedures for the Legislature to approve or change the sufficient balance adopted by the committee.

The comptroller also must transfer one-half of any unencumbered balance remaining in the general revenue fund at the end of a biennium to the ESF (Art. 3, sec. 49-g). Such a balance has been transferred to the ESF under this provision only twice, once in fiscal 1992 and again in fiscal 2008.

The ESF may not exceed 10 percent of the total amount deposited into the general revenue fund (minus certain types of income and funds) during the previous biennium.

Government Code sec. 404.0241 requires the comptroller to invest a percentage of the ESF that exceeds the sufficient balance in accordance with certain investment standards.

DIGEST:

CSHB 20 would revise how the sufficient balance of the Economic Stabilization Fund (ESF) was determined and revise the transfer of funds to the ESF so that if the sufficient balance were met, some funds would be sent to the newly created Texas Legacy Fund. The bill also would outline the management and investment parameters for the ESF and the two funds that would be created by HJR 10, the Texas Legacy Fund (TLF) and the Texas Legacy Distribution Fund (TLDF).

Sufficient balance in the ESF. CSHB 20 would establish the sufficient balance in the ESF as 7 percent of certified general revenue-related appropriations for the fiscal biennium in which the determination was made. Current provisions requiring a select legislative committee to set the sufficient balance would be repealed.

Transfers of severance taxes. If the ESF was at or above the sufficient balance at the time the comptroller was to transfer the required amount of

severance tax revenue to the fund each biennium, the portion of severance tax that would go to the ESF under current law would be redirected to the TLF. If the ESF were below the sufficient balance, transfers of severance taxes would be adjusted so that the amount that would go to the TLF would go instead to the ESF until the sufficient balance was met. The amount that would go to the State Highway Fund would not be reduced.

Transfers of general revenue balances. CSHB 20 would revise the transfer of unencumbered balances of the general revenue fund. If the ESF was at or above the sufficient balance, the comptroller would transfer any general revenue unencumbered balance to the TLF. If the ESF was below the sufficient balance, these transfers would first go to the ESF until the sufficient balance was met. Any remaining funds would go to the TLF.

Management and investment parameter of the funds. CSHB 20 would outline the management and investment parameters for the ESF and the two new funds that would be created by HJR 10, the TLF and the TLDF. Each fund would have investment objectives and purposes.

The ESF's objectives and purposes would be to preserve the fund's principal, the purchasing power of the principal, and the fund's liquidity. HB 20 would repeal current requirements that the comptroller invest a percentage of the ESF according to the investment standard specified in statute.

The TLF's objectives and purposes would be to generate earnings on its principal to maintain and increase the principal's purchasing power and to provide for predictable and stable annual earnings transfers to the Texas Legacy Distribution Fund.

The TLDF's objective and purpose would be to maintain sufficient liquidity to meet the fund's needs.

The bill would establish criteria for the management of the funds. The comptroller would be given authority to acquire, exchange, sell, supervise, manage, or retain any type of investment in relation to the funds that a prudent investor who was exercising reasonable care, skill, and caution would pursue. The comptroller's actions would have to be done in light of

the purposes, terms, distribution requirements, and other circumstances prevailing at that time for the fund and would have to consider the investment of all the assets of the fund rather than a single investment.

The comptroller would be authorized to pool assets of the funds with other state funds for investment purposes.

Effective date. CSHB 20 would take effect January 1, 2020, only if the constitutional amendment providing for the creation of the TLF and the TLDF as proposed by HJR 10 were approved by the voters.

SUPPORTERS SAY:

CSHB 20 would implement the changes to the state's savings and investment strategy that would be established by HJR 10 by Capriglione, also on today's calendar. These changes would provide the state with a responsible way to steward taxpayer dollars to meet both unforeseen needs through the ESF and long-term obligations through the creation of the Texas Legacy Fund (TLF).

The bill would establish prudent mechanics to transfer severance taxes and unencumbered general revenue balances to the newly created TLF as long as the ESF's sufficient balance was met. If the sufficient balance were not met, the mechanisms in CSHB 20 would replenish the ESF so that the state had a strong savings account. Transportation funding would be protected because transfers to the State Highway Fund would not be reduced by CSHB 20.

The bill would revise the way the sufficient balance of the ESF was determined so that it was set in a more objective manner, rather than being decided by a committee. CSHB 20 would set the sufficient balance at 7 percent of spending, which would ensure that enough was set aside to deal with unexpected economic or natural events while simplifying and depoliticizing the calculation.

The bill would set appropriate investment objectives and purposes for each account and fund for the comptroller to follow and would give the comptroller flexibility to make investment decisions. All accounts and funds would be subject to the prudent-investor standard, which is well defined and would allow investments to keep pace with inflation and

maintain purchasing power.

OPPONENTS SAY:

CSHB 20 would establish mechanisms that could place some state funds off limits, even in case of an emergency. The state should continue to have its savings available in case of an economic downturn or disaster.

By removing legislative input in determining the sufficient balance and instead setting it as a percentage of the budget, the bill could make it difficult for the Legislature to use ESF funds that go below that threshold. The sufficient balance can be seen as a floor to the ESF, and the bill would set what might be seen as an inflexible floor. This could make it difficult to garner support to use the funds and would make it impossible for the Legislature to adjust that floor, even if it felt such adjustment was necessary.

OTHER OPPONENTS SAY:

CSHB 20 would further the unwise policy of using the ESF to try to raise revenue, which could be used to increase government spending. The state should return excess taxes to taxpayers and work toward structurally reforming its long-term debt obligations.

NOTES:

CSHB 20 is the enabling legislation for HJR 10 by Capriglione, which is on the Constitutional Amendments Calendar for second reading consideration today.

SUBJECT: Creating Texas Legacy Fund and dedicating earnings for certain spending

COMMITTEE: Appropriations — committee substitute recommended

VOTE: 21 ayes — Zerwas, Longoria, C. Bell, G. Bonnen, Capriglione, Cortez, S. Davis, M. González, Hefner, Howard, Jarvis Johnson, Miller, Muñoz, Schaefer, Sherman, Smith, Stucky, Toth, VanDeaver, Walle, Wilson

1 nay — J. Turner

5 absent — Buckley, Minjarez, Rose, Sheffield, Wu

WITNESSES: For — Dale Craymer, Texas Taxpayers and Research Association; (*Registered, but did not testify*: Rene Lara, Texas AFL-CIO; Lance Lowry, Texas Association of Taxpayers; Windy Johnson, Texas Conference of Urban Counties; Cheri Siegelin, Texas Correctional Employees-Huntsville; Timothy Lee, Texas Retired Teachers Association; Calvin Tillman; Al Zito)

Against — Vance Ginn, Texas Public Policy Foundation

On — Phillip Ashley, Comptroller of Public Accounts; (*Registered, but did not testify*: Paul Ballard, Comptroller of Public Accounts, Texas Treasury Safekeeping Trust Company)

BACKGROUND: Revenue for the Economic Stabilization Fund (ESF), also known as the rainy day fund, comes almost entirely from oil and natural gas production taxes, also known as severance taxes. Before fiscal 2015, the ESF received 75 percent of any severance tax revenue that exceeded the amount collected in fiscal 1987. A constitutional amendment adopted in 2014 requires the comptroller to send one-half of this amount to the State Highway Fund, with the rest continuing to go to the ESF.

The comptroller reduces or withholds allocations to the State Highway Fund as needed to maintain a sufficient balance in the ESF. As required by Government Code sec. 316.092, the select legislative committee to determine a sufficient balance of the ESF determined $7.5 billion to be a

sufficient minimum balance for fiscal 2020-21. The section also establishes procedures for the Legislature to approve or change the sufficient balance adopted by the committee.

The comptroller must transfer one-half of any unencumbered balance remaining in the general revenue fund at the end of a biennium to the ESF (Art. 3, sec. 49-g). Such a balance has been transferred to the ESF under this provision only twice, once in fiscal 1992 and again in fiscal 2008.

The ESF may not exceed 10 percent of the total amount deposited into the general revenue fund (minus certain types of income and funds) during the previous biennium.

DIGEST:

CSHJR 10 would establish the Texas Legacy Fund (TLF) and redirect certain transfers of general revenue that currently go to the Economic Stabilization Fund (ESF) to the new fund, subject to a procedure established by the Legislature. CSHJR 10 also would create the Texas Legacy Distribution Fund (TLDF) to receive transfers from the TLF and would make the TLDF available for certain types of appropriations by the Legislature.

CSHJR 10 would authorize the Legislature to determine a sufficient balance of the ESF or a method to determine a sufficient balance.

Transfers of unencumbered general revenue balances. CSHJR 10 would reallocate the transfers of unencumbered balances of the general revenue fund that currently go to the ESF. If the ESF were at or above the sufficient balance, any general revenue unencumbered balance transfer would go to the TLF. If the ESF were below the sufficient balance, transfers would first go to the ESF until the sufficient balance was met. Any remaining funds would go to the TLF.

Transfers of severance taxes. CSHJR 10 would redirect to the TLF the one-half of general revenue that is derived from oil and gas production taxes and currently is transferred to the ESF, subject to the procedure established by the Legislature. The amount that would go to the State Highway Fund would not be changed.

CSHJR 10 would revise the procedure the Legislature could use to adjust the above allocation so that more of the severance tax revenue went to the ESF. Under CSHJR 10, the procedure would have to include the TLF, allowing the Legislature to create a process to adjust the amount of severance taxes going to the ESF, the TLF, and the highway fund. (The procedure for using the sufficient balance to determine when transfers were adjusted from the default would be established in HB 20, also on today's calendar.)

Texas Legacy Fund. CSHJR 10 would establish the Texas Legacy Fund as a special fund in the state treasury. Each fiscal year, a portion of the fund's interest and earnings would be transferred to the Texas Legacy Distribution Fund and could be spent according to parameters established in CSHJR 10.

The comptroller would have to determine the amount of the annual transfer in a manner to provide a stable and predictable stream of annual transfers while preserving the purchasing power of the principal amount of the Texas Legacy Fund. If the comptroller determined that the purchasing power of the principal of the TLF had diminished when computed for any 10-year period, the comptroller could reduce the amount of the annual transfers from the TLF to the TLDF and could retain a greater portion of the interest and earnings in the TLF.

The comptroller would be required to invest the TLF as provided by law, and the expenses of managing the fund's investments would be paid from the fund without appropriation. Interest and earnings from investing the fund, after any transfer to the TLDF, would be credited to the fund. Interest from the ESF that would increase the total in the fund in excess of the ESF cap would go to the TLF instead of the general revenue fund.

The Legislature could appropriate money to the TLF but could not appropriate money from the fund.

Texas Legacy Distribution Fund. CSHJR 10 would establish the Texas Legacy Distribution Fund as a special fund in the state treasury. The TLDF would receive transfers from the Texas Legacy Fund and could be spent only for purposes outlined in CSHJR 10.

The Legislature could appropriate money from the TLDF only for:

- the early redemption or retiring of state debt that depended on general revenue for debt service;
- unfunded liabilities of the Employees Retirement System (ERS) or the Teacher Retirement System (TRS);
- projects to repair, renovate, or construct state infrastructure other than transportation infrastructure or higher education facilities; or
- other state obligations that were considered long-term obligations under generally accepted accounting principles and were approved by the Legislature by a vote of two-thirds of the members present in each house.

Money appropriated from the TLDF for ERS or TRS would not count toward the cap on state spending imposed by Art. 8, sec. 22 of the Constitution, which limits the growth of the state budget from one biennium to the next.

The comptroller would be required to invest the TLDF as provided by law, and the fund's management expenses would be paid from the fund without appropriation. The fund's interest and earnings would go back into the fund.

The Legislature could make appropriations to the TLDF in addition to the transfers designated in CSHJR 10.

Investing the ESF. Under CSHJR 10, the comptroller would be required to invest the ESF as provided by law, and the fund's management expenses would be paid from the fund without appropriation. The comptroller would credit to the ESF the interest and other earnings from the investment.

Effective dates. Provisions creating the two funds would take effect January 1, 2020.

As soon as practicable after the effective date of CSHJR 10, the comptroller would be required to establish the TLF and the TLDF. The

comptroller would have to transfer $500 million from the ESF to serve as the principal balance of the Texas Legacy Fund.

As soon as practicable after the effective date of the amendment, the comptroller of public accounts would have to invest the ESF, TLF, and TLDF, subject to the provisions included in the legislation.

Ballot language. The ballot proposal would be presented to voters at an election on November 5, 2019, and would read: "The constitutional amendment providing for the creation of the Texas legacy fund and the Texas legacy distribution fund, dedicating the Texas legacy distribution fund to certain state infrastructure projects or the reduction of certain long-term obligations, and providing for the transfer of certain general revenues to the economic stabilization fund, the Texas legacy fund, and the state highway fund."

SUPPORTERS SAY:

CSHJR 10 would create the mechanisms necessary for the state to responsibly safeguard and invest the wealth it gained from oil and gas, enabling that wealth to yield a higher rate of return and be used to meet long-term obligations. A constitutional amendment is necessary to revise the current flow of money into the Economic Stabilization Fund (ESF) and to create the Texas Legacy Fund (TLF), which would receive some severance taxes to invest. The amendment would continue efforts to modernize the state's savings and investment strategy with good stewardship of state resources and would be in line with how other states have handled their revenue from energy taxes.

CSHJR 10 would add an additional bucket for the currently required transfers of severance taxes and unencumbered general revenue. Currently those transfers go to the ESF and the State Highway Fund. Under CSHJR 10, as long as the ESF was at its sufficient balance, the portion that would have gone to the ESF would go instead to the newly created TLF.

This new structure is necessary to set up a long-term permanent endowment, similar to the Permanent School Fund, that could balance the state's needs for savings and for addressing long-term obligations. This would be similar to the way families might keep their funds in different types of financial accounts. The new fund would begin with a modest

transfer of $500 million in seed money from the ESF and could receive future deposits of severance taxes. The fund would be invested and its earnings transferred to the new Texas Legacy Distribution Fund (TLDF), which would be designated to meet the state's long-term obligations.

Under CSHJR 10, the state would continue to have access to ample funds for emergencies or disasters. The ESF would remain available, and legislators could continue to appropriate any amount of that fund, including amounts that brought the fund below the sufficient balance. If the ESF did dip below its sufficient balance, transfers to it would resume until the sufficient balance was again reached. HB 20 by Capriglione, also on today's calendar, would set that sufficient balance at 7 percent of certified general revenue-related appropriations, giving the state a healthy reserve sufficient to meet any unforeseen need.

It would ultimately be up to the Legislature to decide whether to spend any of the TLF's earnings that were transferred to the TLDF. The amendment would ensure spending from the TLDF was made responsibly and did not go to new spending by restricting expenditures to specific long-term obligations. Appropriations from the TLDF would require a two-thirds vote to ensure there was a high bar for expenditures.

Spending for ERS or TRS obligations would not count toward the budget growth rate spending cap because it is important and fiscally responsible to make meaningful progress on the large unfunded obligations for these programs, which would be difficult under the cap. However, other spending from the TLDF would count toward the growth rate cap to ensure that the Legislature maintained fiscal discipline.

CSHJR 10 would authorize the comptroller to invest the ESF, TLF, and TLDF according to general law. Those standards would be established in HB 20.

CSHJR 10 would not harm transportation funding because the portion of revenue transfers going to the State Highway Fund would not be reduced or redirected to the TLF. If the ESF dipped below its sufficient balance, the state highway fund also would be protected and not reduced under the process authorized by CSHJR 10 and established in HB 20.

OPPONENTS SAY:

CSHJR 10 unwisely would siphon off state funds into an account that was completely off limits, even in the case of an emergency. In the event of a disaster or severe economic downturn, the state should have all its resources available. Because the TLF would be unavailable for appropriation, CSHJR 10 could effectively cap, at the balance of the ESF, the state's ability to respond to natural or economic disasters.

OTHER OPPONENTS SAY:

The state should keep the funds it needs in emergency reserves and return what it does not need to taxpayers to be used in the private sector. The state would see more returns in the long run with this strategy than it would from creating a new investment pool from taxes. The ESF was established to address unforeseen shortfalls in revenue, not as a way to raise revenue. Instead of establishing an endowment-like fund designed to support increased spending, the state should work to limit spending. Spending decisions, including those for long-term needs and debt, should take place within the framework of available general revenue, not through a pool of separate funds.

NOTES:

HB 20 by Capriglione, the enabling legislation for CSHJR 10, is on the Major State Calendar for second reading consideration today.

According to the Legislative Budget Board, CSHJR 10 would have a cost of $177,289 in general revenue in fiscal 2020 to publish the resolution. CSHJR 10 also would create a net positive impact of $286 million to other funds during the fiscal 2020-21 biennium.

SUBJECT: Authorizing the Legislature to vest management power over public funds

COMMITTEE: Pensions, Investments and Financial Services — favorable, without amendment

VOTE: 11 ayes — Murphy, Vo, Capriglione, Flynn, Gervin-Hawkins, Gutierrez, Lambert, Leach, Longoria, Stephenson, Wu

0 nays

WITNESSES: None

DIGEST: HJR 143 would amend the Texas Constitution to allow the Legislature by law to vest the power to invest and manage any public funds, including funds established by the Constitution other than the Permanent University Fund, in:

- any public officer;
- a board composed of public officers; or
- an entity that is governed by appointees of public officers of this state.

The ballot proposal would be presented to voters at an election on November 5, 2019. The proposal would read: "The constitutional amendment to authorize the legislature to vest the power to invest and manage certain public funds in public officers, boards composed of public officers, or an entity that is governed by appointees of public officers."

SUPPORTERS SAY: HJR 143 would remove the need for separate constitutional amendments each time the Legislature wanted to change governance and management of public funds by granting the Legislature authority to make such changes through the regular legislative process. This would provide greater legislative oversight of certain funds currently held and maintained outside the reach of the Legislature.

OPPONENTS SAY:

HJR 143 would grant overly broad authority to the Legislature to change the investment and management of public funds without having to make a case-by-case presentation to voters that the oversight should be changed. The measure could apply to a vast range of public funds, making it difficult to determine how the Legislature would use its legal authority to change the governance and management of any individual fund. Some changes could be minor while others could be significant enough to warrant vetting by Texas voters through the constitutional amendment process.

NOTES:

HB 4452 by G. Bonnen, the enabling legislation for HJR 143, was left pending by the Pensions, Investments and Financial Services Committee after an April 11 public hearing.

According to the Legislative Budget Board, HJR 143 would have a cost of $177,289 in general revenue in fiscal 2020 to publish the resolution.

SUBJECT: Authorizing a voter referendum on daylight saving time

COMMITTEE: State Affairs — favorable, without amendment

VOTE: 11 ayes — Phelan, Hernandez, Deshotel, Guerra, Harless, Holland, Hunter, P. King, Parker, E. Rodriguez, Springer

1 nay — Smithee

1 absent — Raymond

WITNESSES: For — (*Registered, but did not testify*: James Dickey, Republican Party of Texas; Phil Bunker, Teamsters Joint Council 58; Jason Vaughn, Texas Young Republicans; and seven individuals)

Against — Martha Habluetzel, Campaign to Opt Out of Daylight Saving Time in Texas

BACKGROUND: 15 U.S.C. sec. 260(a) allows any state to exempt itself from daylight saving time. A state that covers more than one time zone, such as Texas, may exempt either the entire state or the area of the state lying within any time zone.

DIGEST: HJR 117 would amend the Texas Constitution to allow the Legislature to hold a statewide referendum that asked voters to indicate a preference for either exempting Texas from daylight saving time or observing daylight saving time year-round. The referendum would be held on the same day as the election on the constitutional amendment.

The ballot proposal would be presented to voters at an election on November 5, 2019, and would read: "The constitutional amendment authorizing the state to conduct a statewide referendum to allow the voters to choose between exempting the state from daylight saving time and observing daylight saving time year-round and authorizing the legislature to enact legislation that gives effect to the option preferred by a majority of the voters voting in the statewide referendum."

SUPPORTERS SAY:

HJR 117 would give Texas voters an opportunity to express their preference to stay on either standard time or daylight saving time year-round by including that question on the November 2019 ballot. Staying on the same time year-round would end the requirement that Texans change their clocks twice a year to "spring forward" and "fall back." These time changes disrupt people's circadian rhythms, which causes sleep disruption and has been linked to serious issues, including increased traffic and workplace accidents. Studies have shown that heart attacks and rates of depression also increase around the time changes.

Legislation to end daylight saving time has been considered more than 20 times in the Texas Legislature since the federal uniform time change requirement was enacted in 1966. It has never passed because of differing opinions on whether standard time or daylight saving time would be the best to follow throughout the year. This ballot measure would help decide that issue. If voters chose to stay on standard time year-round, there would be no need to move clocks forward an hour in March 2020. If voters selected year-round daylight saving time, then Texas would become a leading voice in asking Congress to allow states to make that choice.

OPPONENTS SAY:

The statewide referendum authorized by HJR 117 could give Texas voters a false choice to stay on daylight saving time year-round, which may not be an option under federal law. Congress has not responded to year-round daylight saving time initiatives from California and Florida, and Texas should not spend resources on an effort that may be futile. It might be better for Texans to continue changing their clocks twice a year or vote to end daylight saving time as Arizona and Hawaii have done.

It also could be confusing for Texas to exempt itself from daylight saving time when most of the country was still following the mandate. Texas might want to wait for Congress to act before passing a referendum to exempt the state from this national standard.

NOTES:

HB 3784 by Larson, the enabling legislation for HJR 117, is set for second reading consideration Wednesday on the General State Calendar.

According to the Legislative Budget Board, the cost to the state for publication of the resolution would be $177,289.

SUBJECT: Allowing personal bond offices to supervise occupational license holders

COMMITTEE: Criminal Jurisprudence — favorable, without amendment

VOTE: 8 ayes — Collier, Zedler, K. Bell, J. González, P. King, Moody, Murr, Pacheco

0 nays

1 absent — Hunter

WITNESSES: For — Kevin McCary, El Paso County; (*Registered, but did not testify*: Paige Williams, Dallas County Criminal District Attorney; Steve Bresnen, El Paso County)

Against — None

BACKGROUND: Transportation Code ch. 521, subch. L governs occupational driver's licenses, which are issued to individuals whose driver's licenses have been suspended for reasons other than physical or mental disabilities or impairments or offenses related to operating a vehicle while intoxicated.

Under sec. 521.2462, courts granting occupational driver's licenses may order a license recipient to submit to supervision by the local community supervision and corrections department in order to verify compliance with the conditions of the order granting the license. Courts also may require a recipient to pay monthly administrative fees to the supervision and correction department.

Code of Criminal Procedure art. 17.42 governs personal bond offices. These offices may be established by counties or judicial districts to gather and review information that may have a bearing on whether accused individuals will comply with the conditions of a personal bond and report their findings to relevant courts.

Some have suggested that authorizing personal bond offices to supervise recipients of occupational driver's licenses would be appropriate and could

increase efficiency and accessibility for license holders.

DIGEST:

HB 156 would allow courts granting occupational driver's licenses to order recipients to submit to supervision conducted by personal bond offices.

The personal bond offices could collect reasonable administrative fees of between $25 and $60 per month from a supervised license holder. Local community supervision and corrections departments could not collect administrative fees from individuals already ordered to pay administrative fees to personal bond offices.

The bill would take effect September 1, 2019, and would apply to orders issued on or after that date.

SUBJECT: Limiting the liability of court clerks for certain disclosures

COMMITTEE: Judiciary and Civil Jurisprudence — committee substitute recommended

VOTE: 8 ayes — Leach, Farrar, Julie Johnson, Krause, Meyer, Neave, Smith, White

0 nays

1 absent — Y. Davis

WITNESSES: For — Lynne Finley, County and District Clerks' Association of Texas; (*Registered, but did not testify*: Duane Peters, Brazos County; Patti Henry, Joyce Hudman, Stacey Kemp, Nancy Rister, and Cary Roberts, County and District Clerks' Association of Texas; Jim Lovell, County Judge, Houston County; Charles Reed, Dallas County Commissioners Court; Aimee Bertrand, Harris County Commissioners Court; Byron Ryder, Leon County Government; Tony Leago, Madison County; Russell Schaffner, Tarrant County; Lee Parsley, Texans for Lawsuit Reform; John Dahill, Texas Conference of Urban Counties; Deece Eckstein, Travis County Commissioners Court; Steve Young)

Against — None

On — (*Registered, but did not testify*: Lynn Holt, Justices of the Peace and Constables Association)

DIGEST: CSHB 685 would limit the liability of a court clerk and certain other entities in connection with the release of court documents from a database established or authorized by the Texas Supreme Court for storing court documents in the state.

Court clerks who performed their duties in good faith would not be liable for the release of a document from such a database. Under such circumstances, the clerk, the county in which the court was located, and the commissioners court of that county would be immune from suit and liability for the release of any information confidential by law, rule, or

court order that was accessed from such a database.

A court clerk also would not be liable for the release of a sealed or confidential document in the clerk's custody unless the clerk acted intentionally, or with malice, reckless disregard, or gross negligence in the release of the document.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

SUBJECT: Establishing the Texas WORKS internship program

COMMITTEE: Higher Education — favorable, without amendment

VOTE: 11 ayes — C. Turner, Stucky, Button, Frullo, Howard, E. Johnson, Pacheco, Schaefer, Smithee, Walle, Wilson

0 nays

WITNESSES: For — Gilbert Zavala, Austin Chamber of Commerce; (*Registered, but did not testify*: Priscilla Camacho, Dallas Regional Chamber; Ray Martinez, Independent Colleges and Universities of Texas; John McCord, NFIB; Justin Yancy, Texas Business Leadership Council)

Against — None

On — Jerel Booker, Texas Higher Education Coordinating Board

BACKGROUND: Education Code ch. 56, subch. E governs the Texas college work-study program, which provides eligible students with jobs, funded in part by the state, to enable them to attend eligible institutions of higher education in the state.

Sec. 56.076 lists eligibility requirements for employers who participate in the program. These employers must provide part-time employment to eligible students in nonpartisan and nonsectarian activities and use Texas work-study program positions only to supplement, not supplant, positions normally filled by workers outside of the program, among other requirements.

Interested parties have noted that while paid internship opportunities for students would both benefit students and advance state workforce development goals, the state's current work-study program may not allow students to take advantage of these opportunities.

DIGEST: HB 3042 would require the Texas Higher Education Coordinating Board (THECB) to create the Texas Working Off-Campus: Reinforcing

Knowledge and Skills (WORKS) internship program. The stated purpose of the program would be to provide jobs funded in part by the state to enable students to attend eligible institutions of higher education, explore career options, and strengthen marketable skills. THECB would administer the program and collaborate with participating employers to provide students with such employment.

Funding. State funding for the WORKS program would be limited to the amount specified by appropriation. THECB could use funds appropriated for the Texas college work-study program and the Texas WORKS internship program to establish and maintain an online portal for use by students and participating entities in fulfilling their responsibilities for participation in the Texas WORKS program. The funds also could be used to cover the costs of administering and assessing the program.

If funding for the program was insufficient to cover the costs of all students seeking to participate in the program, priority for funding would be based on criteria established by THECB rules.

Funds that students received as eligible wages would not be considered as financial aid for the academic year in which they were earned.

Standards. THECB would establish criteria to ensure that:

- each employer participating in the WORKS program had demonstrated the administrative and financial capacity to carry out the employer's responsibilities under the program;
- each participating employer was reimbursed under the program at the contracted rate only for eligible wages paid in full to a participating student; and
- the marketable skills to be strengthened or gained through the internships under the program were identified.

The board would be required to develop a standard contract establishing the roles and responsibilities of participating employers, including base wages, minimum work hours, and any other provision necessary. The contract would be used as a model for the memorandum of understanding that the board would require for participation in the program.

Employer eligibility. HB 3042 would authorize THECB to enter into agreements with employers that participated in the WORKS program. In order to be eligible to participate, an employer would have to:

- be a private nonprofit or for-profit entity or a governmental entity, other than an eligible institution or a career school or college as defined in statute;
- enter into a memorandum of understanding with THECB;
- provide employment to a student in nonpartisan and nonsectarian activities that were related to the student's long-term career interests;
- use program positions only to supplement and not supplant positions normally filled by persons not eligible to participate in the program;
- provide the entirety of an employed student's wages and employee benefits;
- submit only eligible wages to THECB for reimbursement;
- meet criteria for participating as established by the board; and
- comply with any other requirements adopted by the board.

Online listing. THECB would be required to establish and maintain an online listing of Texas WORKS program employment opportunities that were available to students, sortable by department, as appropriate. The list would have to be easily accessible through a clearly identifiable link that appeared in a prominent place on THECB's website.

Rules. THECB would be required to adopt rules to enforce the bill and to ensure compliance with the federal Civil Rights Act as soon as practicable after the effective date of the bill.

Report. By January 1 of each odd-numbered year, THECB would submit a report on the Texas WORKS program to each standing legislative committee with primary jurisdiction over higher education and to post the report on the board's website. The report would have to include the total number of students employed through the program disaggregated by the location of the employment and the employer's status as a for-profit or

nonprofit entity.

Other provisions. The bill would amend statute governing the Texas college work-study program to remove language authorizing eligible institutions to enter into agreements with participating employers in the program. Instead, institutions could employ eligible students in the work-study program.

The bill also would remove the requirement that employment provided under the work-study program be part-time.

HB 3042 would repeal a provision that required each eligible institution participating in the work-study program to ensure that between 20 and 50 percent of the employment positions provided through the program in an academic year were provided by employers who were providing off-campus employment.

Effective date. The bill would apply beginning with the 2020 summer session.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

SUBJECT: Adding requirements for litigation relating to school district facilities

COMMITTEE: Judiciary and Civil Jurisprudence — committee substitute recommended

VOTE: 6 ayes — Leach, Farrar, Krause, Meyer, Smith, White

2 nays — Y. Davis, Neave

1 absent — Julie Johnson

WITNESSES: For — Corbin Van Arsdale, AGC-Texas Building Branch; Tom Kader, SEDALCO Inc; Liz Lonngren, Texas Architects; Luis Figueroa and Daniel Hart, Texas Society of Architects; Stephanie Cook; Will Hodges; (*Registered, but did not testify*: Russell Hamley, ABC of Greater Houston; Peyton McKnight, American Council of Engineering Companies of Texas; Travis Jones and Rodney Ruebsahm, Armko Industries, Inc.; Jon Fisher, Associated Builders and Contractors of Texas; Brian Cook, William Martinez, and Jerry Nevlud, Associated General Contractors of America, Houston Chapter; Phil Thoden, Austin Chapter of the Associated General Contractors; Jerry Hoog, Bartlett Cocke General Contractors; Brad Winans, Hensel Phelps; Burton Hackney, Joeris General Contactors, Ltd.; John McCord, NFIB; Mary Tipps, Texans for Lawsuit Reform; Angie Cervantes, Texas Masonry Council; Becky Walker, Texas Society of Architects; Wade Long, Texas Surety Federation; Jack Baxley, TEXO The Construction Association; Ryan Therrell, The Beck Group; Jose Villarreal, Vaughn Construction; Tara Snowden, Zachry Corporation; David Deschaine; Jeff Eubank; Timothy Rosenberg)

Against — Thomas Koger, Jubilee Academies; William Clay Montgomery, Spearman ISD; Barry Haenisch, Texas Association of Community Schools; Will Adams, Texas Trial Lawyers Association; Winifred "Winnie" Dominguez, Walsh, Gallegos, Trevino, Russo and Pyle PC, Texas Association of School Boards; Craig Eiland; (*Registered, but did not testify*: Winifred "Winnie" Dominguez, Walsh, Gallegos, Trevino, Russo and Pyle PC, Texas Association of School Boards, Council of School Attorneys; Ruben Longoria, Texas Association

of School Boards; John Grey, Texas School Alliance)

BACKGROUND: Education Code sec. 46.0111 requires school districts that bring a legal action for recovery of damages for the defective design, construction, renovation, or improvement of an instructional facility that receives state assistance to provide the commissioner of education with written notice of the action. A district must use the net proceeds from such an action to repair or replace the facility.

DIGEST: CSHB 1734 would add to requirements for a school district that brings a legal action for defective design, construction, renovation, or improvement of school district facilities financed by bonds.

Notice. The district would have to include in its written notice of the action to the education commissioner a copy of the petition by registered or certified mail within 30 days of the date the action was filed. If a district failed to comply with the notification requirement, the court, arbitrator, or other adjudicating authority would be required to dismiss the action without prejudice. Such a dismissal would extend the statute of limitations on the action for 90 days.

The commissioner would be allowed to join in an action involving an instructional facility financed by bonds for which the school district received state financial assistance to protect the state's share.

Use of proceeds. A district would have to use the net proceeds from the action for repair of the facility, including any ancillary damage to furniture and fixtures; replacement of the facility; reimbursement of the district for repair or replacement of the facility; or any other purpose with written approval from the commissioner. A district would have to provide the commissioner with an itemized accounting of repairs.

A district would have to send any portion of the state's share not used to repair an instructional facility to the state comptroller.

Enforcement. The attorney general would be permitted to bring a legal action on behalf of the state to enjoin a district from violating the bill's requirements for the use of net proceeds, itemizing accounting of repairs,

and the state's share of proceeds. In such an action, the attorney general could request and a court could order any other appropriate relief, including payment of:

- a civil penalty not to exceed $20,000 for each violation;
- the attorney general's reasonable costs for investigating and prosecuting the violation; or
- the state's share of the proceeds, if applicable.

No later than December 1 of each year, the attorney general would have to submit to the governor, the lieutenant governor, members of the Legislature, and the commissioner a report on any actions brought by the attorney general during the preceding year. The report would have to include the filing date, cause number, school district that was the subject of the action, and the court in which the action was brought.

The bill would take effect September 1, 2019, and would apply only to an action brought on or after that date.

SUPPORTERS SAY:

CSHB 1734 would provide transparency for school districts' use of proceeds from litigation on defective design and construction of school facilities. This transparency would prevent districts from using their lawsuit settlements for expenses unrelated to repairing or replacing the defective facilities. The bill could help prevent districts from being persuaded to sue architects and construction firms before the firms had an opportunity to repair the alleged defects. It would reduce litigation and bring down insurance costs that have risen in response to school facility litigation.

The bill would broaden existing requirements that districts notify the education commissioner about legal actions involving facilities that received state funding to apply to legal actions involving facilities financed by bonds. The bill would add teeth to the notification requirement by requiring a court or arbitrator to dismiss a lawsuit filed by a district that did not provide the required notice. It would protect districts that mistakenly missed the notification deadline by tolling the statute of limitations so a district could refile the lawsuit. While some have criticized applying the notification requirement to districts with facilities

financed entirely by local bonds, the education commissioner does already have some oversight of school facility construction. For instance, the commissioner has adopted administrative rules on school facility construction standards, and districts are required to complete forms certifying that construction projects complied with those standards.

Permitting the attorney general to enforce the law and seek penalties from districts that fail to spend their litigation proceeds on building repairs is necessary to ensure that the spending requirements are followed. In certain cases, the commissioner could approve spending on other purposes under the bill.

OPPONENTS SAY:

CSHB 1734 would create obstacles for efforts by school district to hold contractors accountable for construction defects. It would unfairly require districts that financed facilities entirely with local bonds to notify the education commissioner when they sought damages for defective projects. This notification requirement would especially burden smaller districts, which could lose their ability to bring a lawsuit if they missed certain deadlines. In addition, allowing the attorney general to sue school districts over their use of litigation proceeds and to seek penalties and attorney's fees could take money away from districts to the detriment of schoolchildren.

SUBJECT: Allowing grants for pretrial programs for pregnant or parenting defendants

COMMITTEE: Corrections — committee substitute recommended

VOTE: 9 ayes — White, Allen, Bailes, Bowers, Dean, Morales, Neave, Sherman, Stephenson

0 nays

WITNESSES: For — Jason Vaughn, Texas Young Republicans; Koretta Brown; Mia Greer (*Registered, but did not testify*: Lauren Johnson, ACLU of Texas; Terra Tucker, Alliance for Safety and Justice; Hal Wuertz, Austin Justice Coalition; Julia Egler, National Alliance on Mental Illness-Texas; Kathryn Freeman, Texas Baptist Christian Life Commission; Lindsey Linder, Texas Criminal Justice Coalition; Lauren Oertel, Texas Inmate Families Association; Arnold Patrick and Michael Wolfe, Texas Probation Association; Alexis Tatum, Travis County Commissioners Court; Nataly Sauceda, United Ways of Texas; Margarita Luna; Kirsten Ricketts)

Against — None

On — Manny Rodriguez, Texas Department of Criminal Justice

BACKGROUND: Government Code sec. 509.011 permits the Texas Department of Criminal Justice's Community Justice Assistance Division to award state aid to departments, agencies, or nonprofit organizations for certain purposes related to the division's responsibilities, including the development and operation of pretrial and presentencing services.

Some have suggested that pretrial diversion programs could be beneficial for defendants who are pregnant or the primary caregiver of a child.

DIGEST: CSHB 1374 would allow the Community Justice Assistance Division of the Texas Department of Criminal Justice to award grants to a department for the development and operation of a pretrial intervention program for defendants who were pregnant at the time of placement into the program or who were the primary caretaker of a child younger than age.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

SUBJECT: Changing classification of mopeds, removing certain license requirements

COMMITTEE: Transportation — favorable, without amendment

VOTE: 10 ayes — Canales, Landgraf, Bernal, Y. Davis, Hefner, Krause, Leman, Martinez, Ortega, E. Thompson

0 nays

3 absent — Goldman, Raney, Thierry

WITNESSES: For — Frank Reig, Revel Transit Inc.; (*Registered, but did not testify*: Jay Propes, Harley Davidson Motor Company)

Against — (*Registered, but did not testify*: Ken Olson)

On — (*Registered, but did not testify*: Jeremiah Kuntz, Texas Department of Motor Vehicles)

BACKGROUND: Transportation Code sec. 521.225 prohibits an individual from operating a moped without a driver's license. An applicant for a moped license must be at least 15 years old and take a written examination relating to traffic laws applicable to the operation of mopeds.

Sec. 521.224 allows the issuance of a special restricted Class M license authorizing certain individuals to operate a motorcycle that has no more than a 250 cubic centimeter piston displacement.

Sec. 521.084 allows an individual with a Class M driver's license to operate a motorcycle or moped. Under secs. 521.421 and 522.029, a Class A, B, or C driver's license or commercial driver's license or permit also could include an authorization to operate a moped for an additional fee of $8.

Sec. 541.201 defines "moped" as a motor-driven cycle that cannot attain a speed of more than 30 miles per hour in one mile, with an engine that cannot produce more than two-brake horsepower and a piston

displacement of 50 cubic centimeters or less, connected to a power drive system that does not require the operator to shift gears. "Motor-driven cycle" means a motorcycle equipped with a motor that has an engine piston displacement of 250 cubic centimeters or less. The term does not include an electric bicycle.

Some suggest that current law should be updated to clarify the classification of mopeds and to allow more individuals to operate a moped without certain license requirements.

DIGEST:

HB 3171 would repeal the moped license and amend the Class M license so that it no longer authorized the license holder to operate a moped. The bill also would remove the additional fee to operate a moped under a Class A, B, or C license or commercial license or permit.

The bill would amend the statutory definition of "moped" to mean a motor vehicle equipped with a rider's saddle and no more than three wheels that could not attain a speed of more than 30 miles per hour in one mile, with an engine that could not produce more than five-brake horsepower and a piston displacement of 50 cubic centimeters or less that connected to a power drive system that did not require the operator to shift gears.

HB 3171 would remove the statutory definition of a "motor-driven cycle" and specify that the definition of a "motorcycle" did not include a moped. The bill would make conforming changes related to the classification of a motorcycle or moped as applicable in law.

As soon as practicable after the effective date of the bill, the comptroller would have to determine whether any transfer of money for deposit to the Texas Mobility Fund was necessary to comply with the Texas Constitution and transfer any amount necessary from the general revenue fund.

The bill would take effect September 1, 2019.

NOTES:

According to the Legislative Budget Board, the bill would have a negative impact of about $42,000 to general revenue related funds in fiscal 2020-21.

SUBJECT: Training peace officers on trauma-informed response techniques

COMMITTEE: Homeland Security and Public Safety — committee substitute recommended

VOTE: 8 ayes — Nevárez, Paul, Burns, Calanni, Goodwin, Israel, Lang, Tinderholt

0 nays

1 absent — Clardy

WITNESSES: For — Christina Green, Children's Advocacy Centers of Texas, Inc.; Chris Kaiser, Texas Association Against Sexual Assault; Abigail Brookshire (*Registered, but did not testify*: Nicholas Hudson, American Civil Liberties Union of Texas; Adam Cahn, Cahnman's Musings; Brie Franco, City of Austin; Chris Jones, Combined Law Enforcement Associations of Texas; Fatima Mann, Community Advocacy and Healing Project; Charles Reed, Dallas County Commissioners Court; Frederick Frazier, Dallas Police Association; Jessica Anderson, Houston Police Department; Christine Yanas, Methodist Healthcare Ministries of South Texas, Inc.; Marilyn Hartman and Eric Kunish, National Alliance of Mental Health Austin; Alissa Sughrue, National Alliance on Mental Illness Texas; Will Francis, National Association of Social Workers-Texas Chapter; Michael Barba, Texas Catholic Conference of Bishops; Allison Franklin, Texas Criminal Justice Coalition; Deneen Robinson, The Afiya Center; Deece Eckstein, Travis County Commissioners Court; and nine individuals)

Against — None

On — Michael Antu, Texas Commission on Law Enforcement

BACKGROUND: Occupations Code sec. 1701.253 requires the Texas Commission on Law Enforcement (TCOLE) to establish the minimum curriculum for peace officer, county jailer, and telecommunicator training schools, including required courses and programs to provide training in the investigation and documentation of cases that involve child abuse or neglect, family

violence, and sexual assault.

Sec. 1701.352(b) requires an agency that appoints or employs peace officers to provide each officer with a TCOLE-approved continuing education program at least once every 48 months that consists of selected topics and, for certain officers, up to 20 hours of training that contains curricula incorporating certain objectives, such as the recognition and documentation of cases that involve child abuse or neglect, family violence, and sexual assault.

Some suggest that trauma-informed response techniques should be incorporated into required TCOLE training for law enforcement officers, who are often the first to encounter a survivor of sexual assault.

DIGEST:

CSHB 282 would require the Texas Commission on Law Enforcement (TCOLE) curriculum requirements under Occupations Code sec. 1701.253 to include training in the use of best practices and trauma-informed response techniques to effectively recognize, investigate, and document cases of child abuse and neglect, family violence, and sexual assault. TCOLE would have to implement this change by January 1, 2020.

The continuing education program requirements under Occupations Code sec. 1701.352(b) also would have to include the use of best practices and trauma-informed response techniques in the recognition, investigation, and documentation of cases involving child abuse and neglect, family violence, and sexual assault.

TCOLE would be required to establish minimum requirements for the training, testing, and certification of special officers for responding to allegations of child abuse and neglect, family violence, and sexual assault.

TCOLE could certify a peace officer as a special officer if the person:

- completed an advanced training course on recognizing, investigating, and documenting cases involving child abuse and neglect, family violence, and sexual assault using best practices and trauma-informed response techniques; and
- passed an exam testing the person's knowledge and recognition of

signs of such crimes and the person's skill at investigating and documenting them.

CSHB 282 would allow TCOLE to issue a professional achievement proficiency certificate to a certified special officer who met these requirements.

The bill would take effect September 1, 2019.

SUBJECT: Specifying accounts exempt from seizure by a creditor to satisfy a debt

COMMITTEE: Pensions, Investments, and Financial Services — favorable, without amendment

VOTE: 11 ayes — Murphy, Vo, Capriglione, Flynn, Gervin-Hawkins, Gutierrez, Lambert, Leach, Longoria, Stephenson, Wu

0 nays

WITNESSES: For — Craig Hopper, State Bar of Texas Real Estate Probate and Trust Law Section; (*Registered, but did not testify*: Chris Masey, Coalition of Texans with Disabilities)

Against — None

BACKGROUND: Under Property Code sec. 42.0021, certain accounts are exempt from attachment, execution, and seizure to satisfy a debt to the extent the account is exempt from federal income tax or to the extent the federal income tax is deferred until actual payment of benefits. These accounts include a stock bonus, pension, annuity, or deferred compensation plan; retirement plan; health savings account; and other similar accounts.

Secs. 42.001 and 42.0022 exempt certain personal property, such as family heirlooms or farming equipment, and college savings plans from attachment, execution, or seizure for the satisfaction of debts.

Sec. 42.005 states that child support liens do not qualify for exemption from attachment, execution, and seizure under the above statutes.

Some have suggested that laws should be clarified regarding the exemption of certain savings plans and other accounts from seizure by a creditor.

DIGEST: HB 2779 would specify that a qualified savings plan was exempt from attachment, execution, or other seizure for the satisfaction of debts. "Qualified savings plan" would be defined as any stock bonus, pension,

annuity, deferred compensation, profit-sharing, health, education, or similar plan or account, to the extent that the plan or account was exempt from federal income tax or that the federal income tax was deferred. The bill would list accounts and plans that would be considered qualified savings plans.

A plan or account would be considered to be exempt from federal income tax if it was subject to the tax solely under certain sections of the federal Internal Revenue Code of 1986.

HB 2779 would apply the exemption from attachment, execution, and seizure to a child support lien for certain prepaid higher education tuition program plans, higher education savings plans, or other qualified tuition programs from other states.

The bill would specify that a person's interest in a retirement plan that was solely an unfunded, unsecured promise by an employer to pay deferred compensation would not be exempt from attachment, execution, and seizure, unless otherwise exempt by law.

The bill would not apply to property that, as of the bill's effective date, was subject to a voluntary bankruptcy proceeding or to a valid claim of a holder of a final judgment who obtained rights superior to those that would have been held if a bankruptcy petition were pending against the debtor.

The bill would take effect September 1, 2019

SUBJECT: Requiring certain facilities to disclose Alzheimer's care certification status

COMMITTEE: Human Services — committee substitute recommended

VOTE: 5 ayes — Frank, Hinojosa, Deshotel, Miller, Rose

3 nays — Clardy, Klick, Noble

1 absent — Meza

WITNESSES: For — Amanda Fredriksen, AARP; Patricia (Patty) Ducayet, Office of the State Long-Term Care Ombudsman; (*Registered, but did not testify*: Aaron Gregg, Alzheimer's Association; Alexa Schoeman, Office of the State Long-Term Care Ombudsman)

Against — None

On — Diana Martinez, Texas Assisted Living Association; Kevin Warren, Texas Health Care Association (*Registered, but did not testify*: Allison Lowery, Health and Human Services Commission; Alyse Meyer, LeadingAge Texas)

BACKGROUND: Health and Safety Code sec. 242.040 requires the Department of Aging and Disability Services (DADS) to establish a system for certifying nursing facilities and related institutions that meet certain standards for the specialized care and treatment of people with Alzheimer's disease and related disorders.

Sec. 242.202 requires an institution to disclose the nature of its care or treatment of residents with Alzheimer's disease and related disorders, including whether the institution is certified by DADS for the provision of specialized care and treatment.

Sec. 247.029 requires DADS to establish a classification and license for an assisted living facility that advertises personal care services to residents who have Alzheimer's disease or related disorders. Facilities are required to disclose whether they hold that license.

DIGEST:

CSHB 284 would require nursing facilities to provide a written notice to each facility resident disclosing whether or not the facility was certified by the Department of Aging and Disability Services (DADS) for the provision of specialized care and treatment of residents with Alzheimer's disease and related disorders. This notice would also have to be provided to each person applying for services from the facility or the person's next of kin or guardian.

Assisted living facilities would be required to provide written notice to each resident of the facility disclosing whether or not the facility held a license issued by DADS for the provision of personal care services to residents with Alzheimer's disease or related disorders.

As soon as practicable after the effective date of the bill, the executive commissioner of the Health and Human Services Commission would be required to adopt rules to implement the bill.

The bill would take effect September 1, 2019.

SUPPORTERS SAY:

CSHB 284 would prevent false advertising in the nursing home and assisted living facility industries by requiring written notice of Alzheimer's care licensure status.

Hundreds of thousands of Texans have been diagnosed with Alzheimer's, and the state has one of the highest number of Alzheimer's-related deaths in the country. However, few licensed nursing facilities in the state are certified for the care of Alzheimer's patients. Facilities that market themselves as "memory care" facilities and are not licensed by the state for Alzheimer's care may be giving consumers a false impression of their qualifications.

By clarifying the requirement that facilities must disclose their Alzheimer's care certification status, CSHB 284 would ensure that families were sufficiently informed about facilities' qualifications when looking for appropriate care for their loved ones.

Alzheimer's care licensing and certification requires a smaller staff to patient ratio, which is necessary due to the attention that Alzheimer's

patients need. Changing this certification requirement to allow more facilities to qualify would lower the quality of care for patients.

OPPONENTS SAY:

CSHB 284 would create an unnecessary requirement for facilities to disclose to consumers whether they were or were not certified for the care of Alzheimer's patients. These disclosures would be an inappropriate form of government interference because the information that would be included in these disclosures is information that families currently can request when they are deciding which facility would provide the best care for their loved ones. Facilities should be allowed to advertise the services that they do provide, rather than being required to issue notice of the certifications they may lack.

OTHER OPPONENTS SAY:

The Alzheimer's certification program should be revised to be easier for facilities to participate. Currently, the licensure process makes it too difficult for the majority of nursing homes and assisted living facilities to comply, leaving many without certification.

SUBJECT: Prohibiting the use of identifying information without effective consent

COMMITTEE: Pensions, Investments, and Financial Services — favorable, without amendment

VOTE: 10 ayes — Murphy, Vo, Capriglione, Flynn, Gervin-Hawkins, Gutierrez, Leach, Longoria, Stephenson, Wu

0 nays

1 absent — Lambert

WITNESSES: For — Tim Morstad, AARP; Krista Del Gallo, Texas Council on Family Violence; (*Registered, but did not testify*: Ann Baddour, Texas Appleseed)

Against — None

On — Carla Sanchez-Adams, Texas RioGrande Legal Aid, Inc.; Angela Littwin

BACKGROUND: Under Penal Code sec. 32.51, a person commits an offense if, with the intent to harm or defraud another, that person obtains, possesses, transfers, or uses an item of identifying information of another person without consent.

An offense under this statute is:

- a state-jail felony (180 days to two years in a state jail and an optional fine of up to $10,000) if less than five items were obtained, possessed, transferred, or used;
- a third-degree felony (two to 10 years in prison and an optional fine of up to $10,000) if five to nine items were obtained, possessed, transferred, or used;
- a second-degree felony (two to 20 years in prison and an optional fine of up to $10,000) if 10 to 49 items were obtained, possessed, transferred, or used; or
- a first-degree felony (life in prison or a sentence of five to 99 years

and an optional fine of up to $10,000) if 50 or more items were obtained, possessed, transferred, or used.

Business and Commerce Code sec. 502.001 requires a restaurant or bar owner to prominently display a sign stating that it is a state-jail felony to obtain, possess, transfer, or use a customer's debit or credit card number without the customer's consent.

Concerns have been raised that some individuals use threats or fraud to induce a victim to engage in credit-related transactions. This could include a victim in an abusive relationship or an elderly person targeted for identity theft. Some contend that current law regarding the nonconsensual use of identifying information should be revised to address these circumstances.

DIGEST:

HB 2697 would expand the conduct that constituted an offense under Penal Code sec. 32.51 to include obtaining, possessing, transferring, or using an item of identifying information of another person without that person's effective consent.

A sign displayed by a restaurant or bar stating the above offense would have to include the expansion of the offense for using identifying information without a person's effective consent.

The bill would take effect September 1, 2019, and apply only to an offense that was committed on or after that date.

SUBJECT: Defining job, housing consequences of deferred adjudication

COMMITTEE: Corrections — committee substitute recommended

VOTE: 9 ayes — White, Allen, Bailes, Bowers, Dean, Morales, Neave, Sherman, Stephenson

0 nays

WITNESSES: For — Douglas Smith, Texas Criminal Justice Coalition; *(Registered, but did not testify*: Terra Tucker, Alliance for Safety and Justice; Nicholas Hudson, American Civil Liberties Union of Texas; Traci Berry, Goodwill Central Texas; Cate Graziani, Grassroots Leadership and Texas Advocates for Justice; Julia Egler, National Alliance on Mental Illness-Texas; Eric Kunish, National Alliance on Mental Illness-Austin; Will Francis, National Association of Social Workers-Texas Chapter; Lori Henning, Texas Association of Goodwills; Alexis Tatum, Travis County Commissioners Court; Alana Madrigal; Maria Person)

Against — (*Registered, but did not testify*: Kent Birdsong, Oldham County Attorney)

On — Carey Green, Texas Department of Criminal Justice; Brad Bowman, Texas Department of Licensing and Regulation; (*Registered, but did not testify*: Christina Kaiser, Texas Department of Licensing and Regulation)

BACKGROUND: Code of Criminal Procedure art. 42A.101 defines deferred adjudication as a form of probation under which a judge, after receiving a plea of guilty or no contest, postpones the determination of guilt while the defendant serves probation. It can result in the defendant being discharged and dismissed upon successful completion of that probation.

Some have suggested that deferred adjudications might be used to deny housing or employment opportunities.

DIGEST: CSHB 574 would prohibit deferred adjudication, subject to certain

conditions, from being used as grounds to deny or terminate housing or employment or to deny, suspend, or revoke certain professional or occupational licenses.

Deferred adjudication could be used as grounds to deny or terminate housing if the offense:

- was on the list offenses in Code of Criminal Procedure art. 42A.054 for which judges cannot order community supervision;
- was listed as a reportable conviction or sexually violent offense under the state's sex offender registry; or
- involved certain other sex offenses or public indecency.

Deferred adjudication could be used to deny, suspend, or revoke professional or occupational licenses if the offense was one of the offenses listed above or was related to the activity or conduct for which the person sought or held the license.

Deferred adjudication could continue to be used to enhance certain penalties under the state's repeat and habitual offender statute in Penal Code sec. 12.42(g)(1).

The bill would remove current provisions establishing when deferred adjudication could be considered for applicants or holders of certain licenses relating to child care services and for those providing certain services for sex offenders.

The bill would take effect September 1, 2019, and would apply to defendants placed on deferred adjudication for an offense committed on or after that date.

SUBJECT: Exempting certain enforcement costs for applicable local authorities

COMMITTEE: Transportation — favorable, without amendment

VOTE: 9 ayes — Canales, Landgraf, Bernal, Y. Davis, Hefner, Krause, Leman, Martinez, Ortega

0 nays

4 absent — Goldman, Raney, Thierry, E. Thompson

WITNESSES: For — Don Egdorf, Houston Police Department; (*Registered, but did not testify*: JJ Rocha, Texas Municipal League; Mitch Landry, Texas Municipal Police Association)

Against — None

BACKGROUND: Transportation Code sec. 545.425 prohibits the use of a wireless communication device while operating a motor vehicle within a school crossing zone, unless the vehicle is stopped or the communication device is hands-free.

A municipality, county, or other political subdivision that enforces this section is required to post signs at the entrance to each school crossing zone in the subdivision informing drivers that the use of a communications device is prohibited in the school crossing zone and that a driver who violated this prohibition would be subject to a fine.

If a municipality, county, or other political subdivision prohibits the use of a wireless communication device while operating a motor vehicle throughout the subdivision's jurisdiction, the subdivision is not required to post a sign at each school crossing zone. Instead, the jurisdiction must post signs at other points as specified in statute informing drivers that the use of wireless communication devices is prohibited and violations are subject to a fine.

Some suggest that some local entities required to install signs lack the

resources to pay for the signs and their installation.

DIGEST:

HB 771 would revise the list of entities responsible for posting or approving the posting of signs required under Transportation Code sec. 545.425 to a local authority with jurisdiction over a school crossing zone.

The local authority would have to pay the costs associated with the required posting of the signs unless the authority entered into an agreement providing otherwise.

The bill would take effect September 1, 2019.

SUBJECT: Petitioning concurrent jurisdiction over Big Bend National Park

COMMITTEE: Culture, Recreation and Tourism — favorable, without amendment

VOTE: 9 ayes — Cyrier, Martinez, Bucy, Gervin-Hawkins, Holland, Jarvis Johnson, Kacal, Morrison, Toth

0 nays

WITNESSES: For — Ronny Dodson, Brewster County Sheriff's Office (*Registered, but did not testify*: David Sinclair, Game Warden Peace Officers Association)

Against — None

On — (*Registered, but did not testify*: Stormy King, Texas Parks and Wildlife)

BACKGROUND: 16 U.S.C. sec. 157 prohibits title to the land for Big Bend National Park from being accepted by the U.S. secretary of the interior unless exclusive jurisdiction over the area has been ceded by Texas to the United States.

Parks and Wildlife Code sec. 23.001 establishes that Texas retains jurisdiction in Big Bend National Park, concurrently with the United States, as though cession had not occurred, for:

- the service of criminal and civil process issued under the authority of the state on any person amenable to service; and
- the assessment and collection of taxes on the sales of products and commodities and on franchises and property.

Some have noted that existing statute does not permit the state to have full jurisdiction in all areas of the park and suggest it would be beneficial to Big Bend National Park if the federal and state governments shared concurrent jurisdiction over the entirety of the territory in the park.

DIGEST: HB 329 would provide for the cession and retrocession of concurrent jurisdiction over certain National Park System territories in Texas.

Cession of concurrent jurisdiction. The bill would require the governor, on behalf of the state, to cede to the United States concurrent jurisdiction over territory that:

- was owned by the federal government within the boundaries of any unit of the national park system in Texas; and
- was or would be under federal jurisdiction if not for the bill's proposed cession.

The cession would take effect when an authorized official of the National Park Service accepted it in writing.

Retrocession. Simultaneously with the cession, the governor would accept from an authorized official of the National Park Service a retrocession of concurrent jurisdiction over territory under exclusive federal jurisdiction in Big Bend National Park and the Rio Grande Wild and Scenic River.

The retrocession provision would expire September 1, 2020, unless the governor received acceptance of concurrent jurisdiction by that date.

Approval process. HB 329 would direct the governor to send a copy of this bill to the National Park Service to request the changes in jurisdiction by October 1, 2019. If the governor received written confirmation accepting the changes, the governor would be required to implement the changes in the Parks and Wildlife Code as added by the bill.

Other provisions. The bill's request for concurrent jurisdiction would not affect the civil and political rights of persons residing inside the boundaries of Big Bend National Park or the Rio Grande Wild and Scenic River.

Effective date. The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2019.

SUBJECT: Excepting the disclosure of personal data by certain flood control districts

COMMITTEE: Natural Resources — favorable, without amendment

VOTE: 8 ayes — Larson, Metcalf, Dominguez, Farrar, Harris, T. King, Price, Ramos

0 nays

3 absent — Lang, Nevárez, Oliverson

WITNESSES: For — Russell Poppe, Harris County Flood Control District; (*Registered, but did not testify*: Melissa Shannon, Bexar County Commissioners Court; Donna Warndof, Harris County Commissioners Court; Jim Short, Harris County, Texas; Bill Kelly, City of Houston Mayor's Office; Gabriela Villareal, Texas Conference of Urban Counties)

Against — None

BACKGROUND: Government Code ch. 552 governs access to public information held by or for a government body in the state.

Some suggest that public information accessed under the state's public information laws could be used to inappropriately solicit sales from flooding victims.

DIGEST: HB 3913 would except certain personal information obtained by flood control districts connection with operations related to a declared disaster or flood from disclosure under the state's public information laws. The exception would apply only to flood control districts located in a county with a population of 3.3 million or more (Harris County).

The bill would except from requirements for public availability information containing:

- a person's name;
- a home or business address;

- a home or mobile telephone number;
- an email address;
- social media account information; and
- a Social Security number.

The bill would take effect September 1, 2019, and would apply only to a public information request received on or after that date.

SUBJECT: Prohibiting probation conditions that restrict contact with certain persons

COMMITTEE: Corrections — favorable, without amendment

VOTE: 6 ayes — White, Allen, Bowers, Dean, Sherman, Stephenson

0 nays

2 absent — Bailes, Neave

WITNESSES: For — Lauren Johnson, ACLU of Texas; Darwin Hamilton and David Johnson, Grassroots Leadership; Julia Egler, National Alliance on Mental Illness Texas; Douglas Smith and Reginald Smith, Texas Criminal Justice Coalition; Amy Kamp; (*Registered, but did not testify*: Mandy Blott, Austin Justice Coalition; Traci Berry, Goodwill Central Texas; Kathleen Mitchell, Just Liberty; Greg Hansch, National Alliance on Mental Illness Texas, Eric Kunish, National Alliance on Mental Illness Austin; Lori Henning, Texas Association of Goodwills; Emily Gerrick, Texas Fair Defense Project; Lauren Oertel, Texas Inmate Families Association)

Against — Roxane Marek and Chris Thomas, Texas Probation Association

On — Carey Green, Texas Department of Criminal Justice

DIGEST: HB 373 would prohibit judges from establishing certain conditions of community supervision (probation) that would prohibit defendants from contacting or interacting with persons involved in specified types of community, training, and advocacy organizations outlined in the bill.

Judges could not prohibit probationers from interacting with someone who belonged to an organization that included persons who had criminal histories and who engaged in activities that the director of the probation department determined included:

- working with community members to address criminal justice issues;

- offering training and programs to assist formerly incarcerated persons; and
- advocating for criminal justice reform, including by engaging with state and local policy makers or participating lawfully in rallies, marches, or other public displays of organized activity.

The bill would take effect September 1, 2019, and would apply to defendants placed on community supervision on or after that date.

SUPPORTERS SAY:

HB 373 would ensure that judges did not issue overly broad prohibitions on probationers, preventing them from meaningful, rehabilitative interactions with others who are or were involved with the criminal justice system. Many worthwhile programs, organizations, and activities include individuals with criminal histories and can offer vital services and support to help probationers rehabilitate and become successful members of the community. For example, peer support programs can help probationers by providing support from someone with similar experience, and community-based organizations advocating for social or political change may include individuals who have been justice-involved. Denying probationers the chance to be a part of these organizations can deny them an opportunity to be around positive role models and learn valuable skills.

The bill would apply to organizations that could offer probationers positive experiences, and probation department directors would have a role in determining what organizations met the conditions of the bill. While judges could not issue broad prohibitions on certain groups, they would retain discretion to set conditions of probation.

OPPONENTS SAY:

HB 373 could limit judges' discretion to craft conditions of probation that were specific to an individual probationer. Currently, probationers subject to a prohibition that interferes with their chances to obtain services or support from an organization or to participate in a meaningful activity can ask a judge to waive that condition of probation.

SUBJECT: Authorizing the reuse and return of treated brackish groundwater

COMMITTEE: Natural Resources — favorable, without amendment

VOTE: 9 ayes — Larson, Metcalf, Dominguez, Farrar, Harris, T. King, Nevárez, Price, Ramos

0 nays

2 absent — Lang, Oliverson

WITNESSES: For — Carlos Rubinstein; (*Registered, but did not testify*: Buddy Garcia, Brownsville Public Utility Board; Jay Brown, Concho Resources; Daniel Womack, Dow; Bill Oswald, Koch Companies; Tom Oney, Lower Colorado River Authority; Christina Wisdom, Occidental Petroleum; Brian Sledge, Prairielands Groundwater Conservation District; Leah Martinsson, Texas Alliance of Groundwater Districts; Peyton Schumann, Texas and Southwestern Cattle Raisers Association; Mia Hutchens, Texas Association of Business; Mark Vickery, Texas Association of Manufacturers; Kyle Frazier, Texas Desalination Association; Billy Howe, Texas Farm Bureau; Susan Horton, Texas Municipal League; CJ Tredway, Texas Oil and Gas Association; Sandy Dunn)

Against — (*Registered, but did not testify*: Cyrus Reed, Sierra Club Lone Star Chapter)

On — Myron Hess, National Wildlife Federation; (*Registered, but did not testify*: Charles Flatten, Hill Country Alliance; Kim Wilson, Texas Commission on Environmental Quality)

BACKGROUND: Water Code sec. 11.042 allows individuals, corporations, and certain water districts supplying stored or conserved water to use the bank and bed of any flowing natural stream in the state to convey water from the place of storage to the place of use or the diversion point of the appropriator under rules prescribed by the Texas Commission on Environmental Quality (TCEQ).

Under sec. 11.042(b), a person who wishes to discharge and then later divert and reuse the person's existing return water flows derived from privately owned groundwater must obtain authorization from TCEQ.

Sec. 11.085 governs the transfer of water between river basins. A person may only take or divert state water from a river basin and transfer it to another basin if the person had received a water right or amendment to a permit, a certified filing, or a certificate of adjudication from the TCEQ authorizing the transfer.

DIGEST:

HB 724 would require the Texas Commission on Environmental Quality (TCEQ) to grant an authorization to a person who already was authorized to discharge water into a watercourse or stream to discharge treated brackish groundwater or return flows from treated brackish groundwater water into a watercourse and then subsequently divert and reuse the water.

TCEQ also would be required to grant a water right or amendment to a permit, certified filing, or certificate of adjudication to an applicant who proposed to divert treated brackish groundwater or return flows derived from treated brackish groundwater and transfer the water to another river basin, as long as the applicant was authorized under the bill to discharge the water into a watercourse or stream and then subsequently divert and reuse it.

The bill would take effect September 1, 2019, and would apply only to applications filed on or after that date.

SUPPORTERS SAY:

HB 724 would incentivize the development of a currently underused water resource through guaranteeing ownership of the treated water. Brackish groundwater is abundant and could help the state become more drought-resistant. This bill would respect existing water rights while encouraging the new production of critically needed water supplies.

OPPONENTS SAY:

HB 724 could define brackish groundwater broadly enough that even municipally treated wastewater with any level of brackishness might qualify, as well as brackish water currently contributing to surface flow through springs or seeps. This could adversely affect existing water rights and the environment. The bill should ensure that minimum standards for

brackish water are met.